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Testimony of the Texas Classroom Teachers Association on SB 982

April 21, 2009

TCTA would like to express our thanks to Senator Van de Putte for working toward improvements in our school finance system and working with the teacher organizations to find a way to direct an appropriate share of new funding to teacher salaries.

Though we are not currently under a court order regarding school finance, the failure of the Legislature to adequately address school finance reform in 2006 assures that the state will be facing litigation sooner rather than later.

Among the problems with our current school finance system are the following:

- The Legislature created a structural deficit under which the state taxes that were enacted are covering only a fraction of the cost of property tax reductions.
- The Legislature has left in place an arbitrary school finance system based upon holding districts harmless at their 2006-2007 or 2007-2008 funding levels, essentially making school finance formulas meaningless. The "temporary" provision placed in law in 2006 that "drags back" districts to the hold harmless or target revenue amounts has been left in place.
- School districts have no mechanism for raising revenue to cover increasing costs of inflation and ever increasing accountability standards other than to raise local property tax rates.
- The fact that districts must raise tax rates to increase revenues makes it inevitable that enough districts will hit the new maximum maintenance tax rate (generally \$1.17) in the near future to once again generate a legal challenge that the school finance system is an unconstitutional statewide property tax.
- Most school districts have maximized their ability to raise local property tax rates
 without have a rollback election to ratify tax rates. School districts are required to
 adopt budgets before they know whether voters will authorize such a rate
 increase. The resulting difficulty and confusion in budgeting has led an
 increasing number of school districts to consider implementing layoffs of teachers
 and other employees pursuant to reductions in force.

The current appropriations bills both contain a \$1.9 billion rider that is contingent upon the adoption of a bill moving back to a formula-based school finance system. Though such a rider would only fund a fraction of what is needed to fix our broken school finance system, TCTA urges this committee to move quickly to adopt legislation such as SB 982 that would allow the Legislature to utilize the \$1.9 billion for public education, and support efforts on the House floor to move additional funding into this rider.

We also ask your support for dedicating a significant portion of increases in funding for school finance reform to teacher salary increases. By providing for teacher salary increases through the school finance formulas, the state can achieve equitable school finance reform while ensuring that school districts use the increases in funding for instructional purposes. By providing salary increases along with school finance increases, the state will improve teacher retention and make the teaching profession more attractive to college students choosing a profession. When the state has in the past enacted school finance reforms without addressing teacher salaries, average teacher salaries have not risen proportionately with other school spending.

Without adequate numbers of well-trained, highly-compensated and appropriately-certified teachers in our classrooms, Texas will not succeed in our education goals. We appreciate your consideration of our comments and look forward to working with you on legislation that will make significant progress toward a real solution for our school finance problems.



Comparison of increases in teacher salaries to increases in state and local expenditures per pupil. Increases are aggregate percentage increases above the 1991-92 school year. Prepared by Texas Classroom Teachers Association.

14.7 14.5 14.5
20.3% 15.3 31.8% 15.2 34.7% 14.9 37.9% 14.8 40.2.8% 14.7
7.5% 16 10.2% 15.7 13.8% 15.6 17.5% 15.5
16.3 3.1% 16.3 5.1% 16.1
Percentage Average Increase from Student/ 1991-92 Teacher Ratio

Source, Snapshot and Pocket Edition, Texas Education Agency

¹ Average teacher salaries include pay for supplemental duties such as career ladder, extracurricular activities, etc.

Percentage Increase in Operating Expenditures vs. Teacher Salaries

